

Amendment No. 1 to SB1720

Watson
Signature of Sponsor

AMEND Senate Bill No. 1720*

House Bill No. 2051

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 4, is amended by adding Sections 2 through 4 as a new part.

SECTION 2. This part shall be known and may be cited as the "Voluntary Employee Retirement Account Program Act."

SECTION 3. As used in this part:

(1) "Code" means the Internal Revenue Code of 1986, as amended, and all rules, regulations, notices, and interpretations released by the United States department of the treasury, including the internal revenue service;

(2) "Employee" means any individual who is eighteen (18) years of age or older, who is employed by an employer, and to whom the employer is obligated to issue a federal form W-2, wage and tax statement;

(3) "Employer" means a person or entity engaged in a business, industry, profession, trade, or other enterprise in this state, whether for profit or not for profit;

(4) "Program" means the voluntary employee retirement account program;

(5) "Retirement account" means an account in any deferred compensation; stock bonus; profit-sharing; pension; annuity plan; or any other retirement plan authorized under the code; and

(6) "State" means state of Tennessee.

SECTION 4.

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(a) The state treasurer is authorized to establish a voluntary employee retirement account program for employee retirement accounts. If established, employers and employees may voluntarily participate in the program.

(b) The commissioner of finance and administration, the chair of the finance, ways and means committee of the senate, the chair of the finance, ways and means committee of the house of representatives, and the state treasurer shall serve as trustees for a voluntary employee retirement account program that may be established pursuant to this part.

(c) The trustees shall approve a plan that shall include provisions for the implementation, administration, operation, marketing, investment options, customer service, and investment management services for the program. As part of the plan, the trustees are authorized to offer investment options to employees participating in the program.

(d) The trustees may delegate the day-to-day operations and responsibilities of the program to the state treasurer. Upon receiving a delegation, the state treasurer shall exercise such powers, duties, and responsibilities contained in this part to implement the purpose of this part; may assign any duties and responsibilities to the state treasurer's staff or private vendors and contractors, as the state treasurer deems necessary and proper; may assess the costs associated with administering the program such that the program is without cost to the state; and may consult with professionals as necessary about the administration of the program. The state treasurer shall also establish policies, guidelines, and operating procedures in accordance with this part.

(e) The state treasurer is authorized to promulgate reasonable rules as are necessary to carry out the purpose and intent of this part, and to ensure that the program is in compliance with the code and other applicable provisions of federal or state laws or rules. All such rules shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 5. This act shall take effect July 1, 2018, the public welfare requiring it.